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RUEHMN/AMEMBASSY MONTEVIDEO 5489  
RUEHPO/AMEMBASSY PARAMARIBO 0405  
RUEHQT/AMEMBASSY QUITO 6234  
RUEHRO/AMEMBASSY ROME 0309  
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C O N F I D E N T I A L LA PAZ 001168

SIPDIS

E.O. 12958: DECL: 05/20/2018  
TAGS: [PGOV](#) [PREL](#) [EAID](#) [BL](#)  
SUBJECT: EVO: ALIENATING FRIENDS, SEEKING NEW ONES

REF: A. LA PAZ 1149  
[1](#)B. LA PAZ 1024  
[1](#)C. LA PAZ 1018

Classified By: A/DCM Chief Mike Hammer for reasons 1.4 (b) and (d).

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Summary  
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[1](#)1. (C) Side by side with his friend Cuban Ambassador Rafael Dausa, President Evo Morales leveled a new barrage of old accusations against the USG on May 19. Meanwhile, the Italians and Peruvians both expressed their displeasure with recent Morales statements and actions. The Italian Ambassador to Bolivia made it clear that Rome does not support Morales' plan to nationalize Entel, the telecommunications company which is majority owned by Italy's Euro Telecomm. Peruvian Foreign Minister Jose Garcia Belaunde also voiced his government's disapproval with Morales recent charges that Peru is sabotaging the Community of Andean Nations (CAN) negotiations with the European Union (EU). With Evo's image fading amongst some of his regional and European friends, he is planning to travel to Libya and Qatar in early June in search of new friends to hopefully drum up increased foreign investment in Bolivia's hydrocarbons sector. Meanwhile, the spike in accusations against us marks the beginning of Evo's political campaign to avoid being recalled in August. End Summary

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Evo to USG: You are No Friend of Mine  
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[1](#)2. (U) President Evo Morales, at the May 19 inauguration of a new Cuban-financed ophthalmology clinic, renewed his accusations of a USG "conspiracy" against his government. Morales stated that "I continue to receive reports, that these conspirators that come from the empire (the United States) to agitate, to organize, we are putting up with it." But he went on to say that his patience is running out, President Morales stated, "patience with regards to external

aggressions have a limit and can end."

13. (U) Foreign Minister David Choquehuanca when questioned about Morales limited "patience" on May 20, replied he was not sure what the President was referring to, but then added the U.S.-Bolivian relationship was "tense" due to a lack of transparency on the part of USAID. MAS Senator Ricardo Diaz (Chuquisaca) had renewed the USAID conspiracy angle stating that USAID and USAID implementing partner Chemonics are actively funding the "destabilization" of Evo's government. Diaz accused USAID of funding the (often radical) anti-central government Santa Cruz Youth Union. More specifically, Diaz stated that USAID is financing the transport of 1000 Youth Union members to the departments of Beni and Pando in the lead to the upcoming autonomy referenda on June 1 in those departments. Diaz also encouraged President Morales to expel both USAID and Chemonics from Bolivia. (Comment: As with previous accusations, these are completely unfounded. End Comment).

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Evo to Cuba: My (Loud) Silent Friend  
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14. (U) With the Cuban Ambassador Rafael Dausa at this side, Morales also rehashed his "comparisons" of U.S.-assistance with that of Cuban aid. Citing the war in Iraq, Morales repeated his oft stated remark that the United States sends people overseas to kill, while Cuba sends doctors to save lives. "The Cuban people are humiliated by the empire, (but) but it (Cuba) shows the most solidarity with the people of the world" said Morales. "Cuban assistance is silent, revolutionary and yields results, and is without conditions like that of countries," added Morales.

15. (U) Cuban Ambassador Dausa then echoed Evo's charges that the USG is likely financing the opposition and conspiring against the Bolivian government. "I would not be surprised, because when there is a legitimate government, when there is revolutionary government, a government that defends its people, the government of the United States puts itself in charge of attacking, in charge of lying, in charge of campaigning," stated Dausa. Despite the fact that Evo is only up for a recall (and not re-election), the Cuban Ambassador then opined that Evo would be "re-elected."

16. (U) Cuba's Chief medical officer in Bolivia, Maria Isabel Martinez, went on to expound on all the work Cuban doctors had performed in Bolivia. Martinez commented that the 12 million lives saved were a demonstration of Cuba's love and dedication to Bolivia. (Comment: Bolivia has a total population of 9 million, so Martinez' math appears a bit inflated. End Comment).

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Peru Sees Bolivia Differently  
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17. (U) While Cuba and Bolivia's friendship was being strengthened at the ophthalmology clinic, Peruvian Foreign Minister Jose Garcia Belaunde was seeing Morales through a different lens. Belaunde came out against Evo on May 19, calling Morales' comments at the recent Summit of the European Union and Latin American and Caribbean Countries (EU-LAC) in Lima "interference" and "unfortunate declarations." Belaunde was referring to Morales comments that Peru and Colombia were purposefully sabotaging negotiations between the CAN and EU, to the disadvantage of Ecuador and Bolivia. Belaunde was also condemning Morales' remarks that Peruvian officials were acting as CIA agents in asking for the extradition of Peruvian national Walter Chavez. (Note: Peru requested Chavez' extradition due to his alleged involvement in Tupac Amaru Revolutionary Movement (MRTA) terrorist activities in the 1990s. Chavez was granted political asylum in Bolivia in 1996 and until last year was a close advisor to President Morales. End Note). Belaunde stated, "I think Mr. Morales has to weigh the consequences of his declarations." He added that "(Morales) should not forget

that Peru is a neighbor and . . . neighbors should not be treated with disdain that creates discomfort and distancing."

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Europe to Evo: We Are Losing that Lovin' Feelin  
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¶18. (SBU) Shortly after Evo attacked our Ambassador by stating "I hope all ambassadors . . . respect the process of change that Bolivia is undergoing," Italian Ambassador to Bolivia Silvio Mignano set the record straight that Italy did not support Evo's May 1 supreme decree to nationalize telecommunications company Entel. Entel's majority stakeholder is Italy's Euro Telecom. On May 18, Morales stated that the Italian Foreign Minister had told him that "had no reason to defend a company." Mignano clarified that while Italy acknowledges the Bolivian government's authority to nationalize a company, "this did not mean the Italian government supports the nationalization of any company." He added that Rome is waiting for an "adequate solution for the Italian company."

¶19. (C) Foreign Ministry Policy Planner Jorge Caballero (strictly protect) told PolOff May 18 that European (not just Italian) support for the government has been waning gradually since Evo came to power. Caballero cited the rightward shift in European political leadership, a growing list of Bolivian government attacks on democratic institutions, and an emerging realization that government's counter-narcotics strategy is failing. Despite these concerns, registered mainly by local diplomats, Caballero said many European leaders have "not paid attention" to Bolivia since Morales' 2005 election victory. He added that many have been slow to reevaluate their "fantasy" image of Morales as a popular indigenous leader battling evil elites. Caballero explained that the nationalization of Italian-owned telecommunications Entel May 1 accelerated the Euro-disenchantment sharply and forced European capitals to reexamine their broad positive image of the Morales administration. He said the frank and negative public comments concerning Bolivia's nationalizations counter-narcotics efforts by European leaders during the past week are no accident (ref a) and reflect a new "toughness" being expressed privately to the MFA.

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Evo: Looking for Love in All the Wrong Places  
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¶10. (C) Caballero also claimed Morales was planning a trip to Italy, Qatar, and Libya the first week of June. The purpose of the Italian trip is ostensibly to repair the government's image, soft-peddle the nationalizations, and, privately, work his Entel agenda. His following stops in Qatar and Lybia are intended to shore up technical support and attract investment in Bolivia's hydrocarbon sector. Caballero said the government underestimated the fallout from the May 1 nationalizations (which included three private hydrocarbon companies in addition to Entel, refs b and c) in terms of pushback from foreign governments, coverage by foreign media, and impact on foreign investment. "They understand the need for foreign investment and are looking for alternatives (in the case of Qatar and Libya)," said Caballero. "They intended May 1 (nationalization announcements) for a domestic audience, but now they are trying to control the damage." Caballero said the government believes the Libya trip should raise no eyebrows along the lines of Bolivia's nascent relationship with Iran since "the West has accepted Libya now."

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Comment  
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¶11. (C) Morales' renewed accusations of a USG conspiracy are likely a mixture of politics and paranoia. Morales is in campaign mode for the potential August 10 recall referendum

that could terminate his presidency should he lose. Evo likely feels that attacks on the United States shore-up his base, and have little political downside. But, his statements about "receiving reports of a conspiracy" are not all politics, Evo likely does feel -) however misguided his beliefs -- that he is the target of U.S. efforts to topple him. We understand that Morales receives reports of a U.S.-conspiracy, fabricated reports from Cuban intelligence officers who wish to feed into his anti-U.S. paranoia. While his paranoia about us is unfounded, he has reason to worry that his positive image is fading amongst once friendly European nations; thus his desire to seek new friends amongst the likes of Libya, Iran and Qatar. End Comment.

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